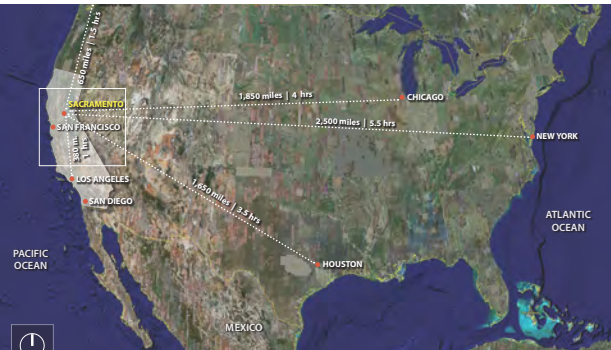


CalExpo Masterplan Sacramento California

CALEXPO BOARD PRESENTATION | FRIDAY 27 FEBRUARY 2009



Location/Site



Existing Conditions



Trends and Responses

Market/Demographics



Economic



Social



Environment



CalExpo Community

A vibrant, dense and pedestrianized mixed-use development district promoting the local agricultural movement and highly sustainable strategies in support of the CalExpo brand.

- 1. Compact and Mixed Use**
- 2. Pedestrian-friendly design**
- 3. Transit Oriented Design (TOD)**
- 4. Environmentally Passive Design**
- 5. Stormwater Mitigation**
- 6. Shared Parking**
- 7. Other Sustainable Strategies**



Aerial View

Gensler



Summary Master Plan



Aerial View

Gensler



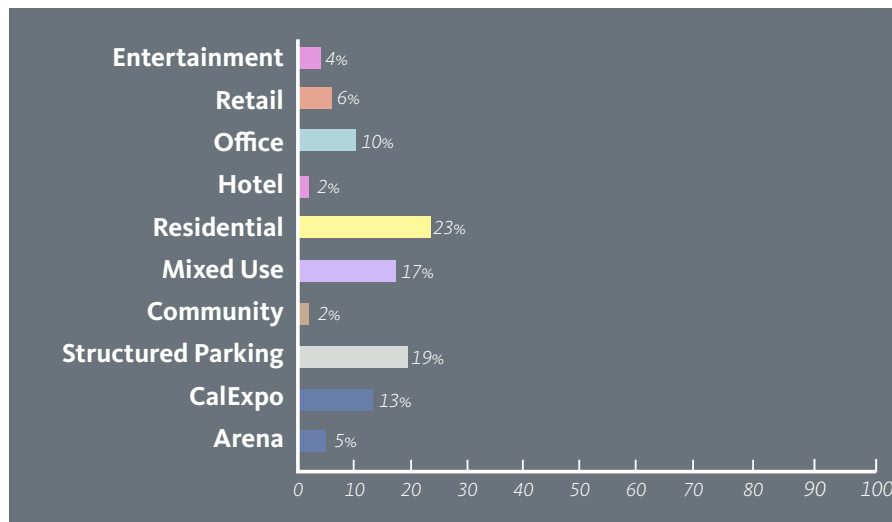
ERA Overview

- Land Use Programming
- Fair Grounds Market Feasibility Study
- Fair Grounds Operations Forecast
- Financial Analysis of Mixed-Use Program
- Economic and Financial Impact Analysis of the Overall Project

Land Use Concept: Goals

- Develop a ***dense*** and ***varied land use*** program with integrated and adjacent green spaces will transform the CalExpo site into an ***attractive, vibrant, top-notch mixed-use community***
- Create a ***regional destination*** with new, state-of-the-art State Fair facilities and NBA arena for entertainment, including the State Fair, professional sporting events, performing arts, concerts, trade shows, family shows, and other events
- Provide a ***source of funding*** for constructing new CalExpo facilities and infrastructure improvements for the entire site, and ***promote long-term financial stability*** and success for CalExpo.

Site Diagrams: Land Use



Land Use Programming

- Historical and projected socio-demographic trends
 - Population Trends
 - Age Trends
 - Employment Trends
- Market trends and analysis
 - Office Market Trends
 - Retail Market Trends
 - Residential Market Trends
 - Expo Events and Fair Attendance Trends
- Comparables from other mixed-use developments adjacent to sports arenas and stadiums
- Interviews with real estate professionals and economic development and planning officials as well as real estate players

Land Use Concept: Arena-driven Synergies

- Proximity to sports arenas and stadiums trigger “locational energy” associated with the site, significantly increasing demand for mixed-use space and attracting private investment
- ERA analyzed development potential at several projects:
 - L.A. Live
5.6 MSF total, \$2.5 billion mixed-use investment
 - Nationwide Arena District
1.5 MSF total, \$1 billion mixed-use investment
 - Victory Park
4 MSF total, \$3 billion mixed-use investment
 - Westgate City Center
8 MSF total, \$2 billion mixed-use investment

Land Use Concept: Arena-driven Synergies

- Arenas serve as “anchor tenants” drawing new visitors, and support guaranteed event days, creating increased economic stability for adjacent uses
- Drives market performance of mixed-use components:
 - Retail rents are over 50% higher within sports-driven districts
 - Retail rents increase at over three times the pace within the sports-driven districts (18.7% vs. 6.0% annually)
 - Office rents are 4.5% higher within sports-driven districts
 - Office rents increase at nearly twice the pace within the sports-driven districts (4.9% vs. 2.5% annually)

Mixed-Use Program: Land Value Analysis

- Financial analysis reflects the “developer’s perspective”
- Mix of uses creates a distinctive place to work, live, and play
- Proximity to arena and other activity centers providing entertainment
- Critical mass / density of uses establish “place”
- View corridors provide a natural amenity
- Potential for mass transit to serve the development

Land Value Analysis: Assumptions

- Absorption and phasing are based on national and local economic and real estate conditions
- Revenue assumptions reflect first-class mixed-use development based on market realities of the Sacramento area
- Cost assumptions reflect typical mid/high density construction
- Parking strategy maximizes the use of surface parking and delays structured parking until later phases
- Developers could potentially access tax increment financing to fund certain infrastructure improvements
- Land payments occur over time, as development progresses

Land Value Estimates:

With TIF

Delivery Years	Development Program	Land Value (Nominal\$)
2013 - 2017	1.5 MSF	\$31.7 M
2019 - 2023	2.5 MSF	\$127.1 M
2026 - 2030	2.9 MSF	\$249.7 M
2032 - 2036	1.7 MSF	\$211.6 M
Total	8.6 MSF	\$620.0 M

Note: Estimates do not reflect CalExpo or NA facilities.

Without TIF

Delivery Years	Development Program	Land Value (Nominal\$)
2013 - 2017	1.5 MSF	\$21.7 M
2019 - 2023	2.5 MSF	\$106.2 M
2026 - 2030	2.9 MSF	\$220.9 M
2032 - 2036	1.7 MSF	\$190.9 M
Total	8.6 MSF	\$539.7 M

Note: Estimates do not reflect CalExpo or NA facilities.

Economic and Fiscal Impact Analysis

- Economic impact from construction of the arena and Cal Expo facilities, with development budget ranging from \$500 million to \$600 million
- Economic impact from construction of the 8.6-million-square-foot mixed-use program
- Recurring economic impacts associated with ongoing operations at full build-out and operations
- Fiscal benefits, including property, sales, occupancy, and income tax revenues at full build-out and operations

Economic Impacts: Construction

Arena/CalExpo Construction

Economic Impact	Spending	Employee Compensation	Employment
Direct	\$500 - \$600 M	\$138 - \$166 M	3,100 - 3,700
Indirect/Induced	\$405 - \$486 M	\$94 - \$112 M	2,600 - 3,100
Total	\$905 - \$1,186 M	\$232 - \$278 M	5,700 - 6,800

Mixed-Use Program Construction

Economic Impact	Spending	Employee Compensation	Employment
Direct	\$1.91 B	\$525 M	11,700
Indirect/Induced	\$1.55 B	\$358 M	10,000
Total	\$3.45 B	\$882 M	21,700

Annual Economic Impact: Operations

Gensler

Economic Impact	Spending	Employee Compensation	Employment
Direct	\$3.29 B	\$661 M	15,100
Indirect/Induced	\$2.55 B	\$583 M	14,900
Total	\$5.85 B	\$1,244 M	30,000

Annual Fiscal Benefit: Annual Tax Revenues

Gensler

Tax	State	County/City	Total
Property	-	\$24.3 M	\$24.3 M
Sales	\$44.5 M	\$10.7 M	\$55.2 M
Income	\$7.6 M	-	\$7.6 M
Occupancy	-	\$4.5 M	\$4.5 M
Total	\$52.1 M	\$39.4 M	\$91.5 M

CalExpo Market Feasibility Study

- Current Fair and Non-Fair Operating Characteristics
- Local Market Characteristics
- Competitive Market Characteristics
- Activity Forecast
- Target Market Segment Opportunities
- Projected Non-Fair Events and Attendance
- Projected Fair Attendance & Parking Requirements
- Facility Program Requirements

CalExpo Market Study: Fair Outlook

- State Fair remains Cal Expo's dominant event
- Peak Fair days generate over 80,000 daily visitors
- New facility will have modest impact on Fair attendance
- ERA visitation forecast:
 - Initial surge of near 1 million visitors
 - About 900,000 visitors in Year 5
 - Gradually building toward 1 million by Year 10
- As the mixed-use development program unfolds, Fair parking access and on-site circulation programs must be carefully planned to accommodate peak demand days

CalExpo Market Feasibility Study: Non-Fair Events

- New Cal Expo facilities will expand year-round events:
 - Arena and redevelopment will increase market exposure
 - New meeting/conference facilities will attract weekday events
 - New facilities will grow the Sacramento visitor market
- ERA forecasts:
 - 133 to 154 non-Fair events over five-year period
 - Attendance growth from 900,000 to over 1,130,000
 - Large Expo events could attract up to 20,000 visitors daily
- To adequately accommodate attendees and exhibitors during during days with concurrent arena events, physical design issues, including parking or outdoor space capacity must be carefully considered

CalExpo Facility Program: Recommendations Gensler

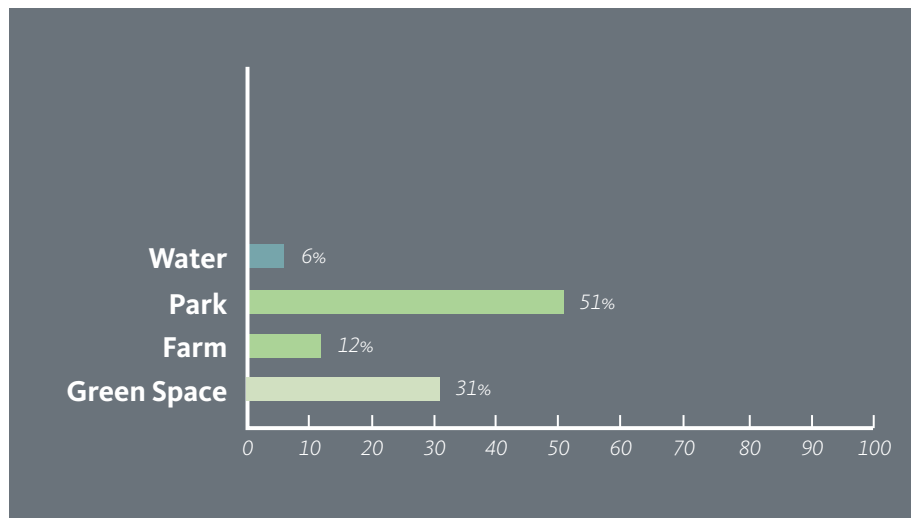
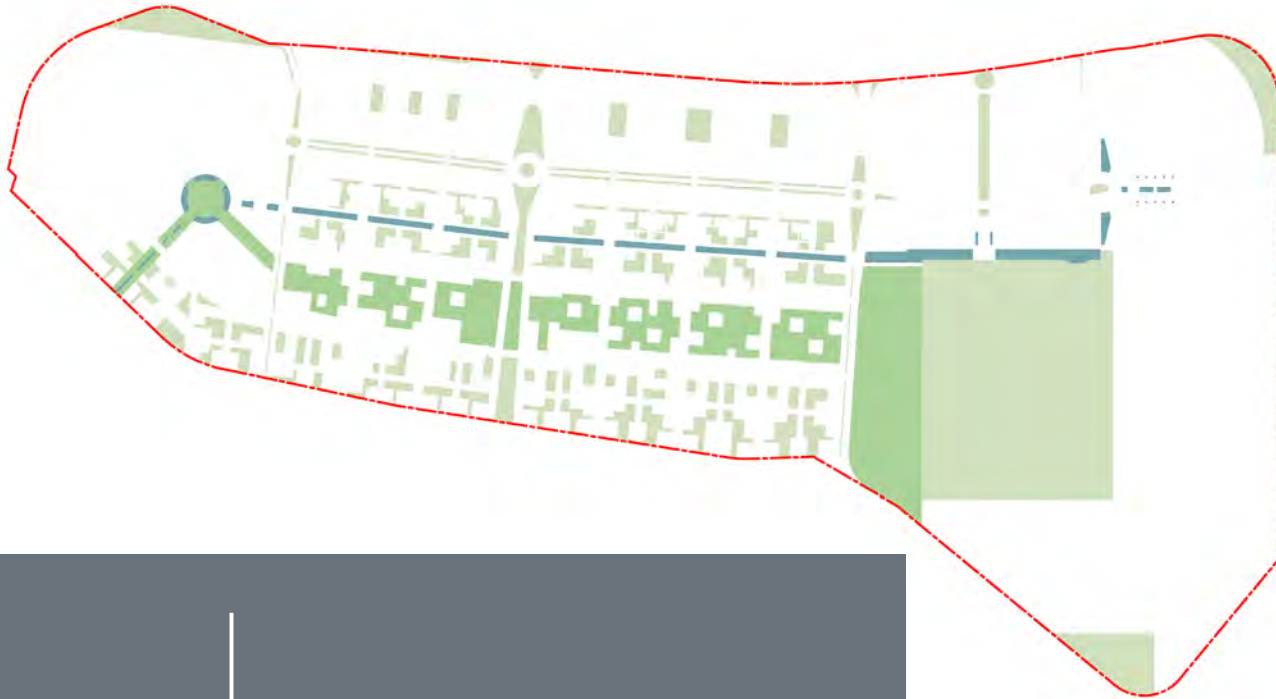
- Exhibit Space: 250,000-300,000 SF of climate-controlled, free span, multipurpose, flat-floor exhibit space
- Trade/Conference Space: Up to 100,000 SF of functional conference space with lobby, break-out rooms, and kitchen
- Attached Covered Space: 325,000-400,000 SF of multipurpose space for events (e.g., horse/livestock)
- Adjacent Open Outdoor Space: 1 million SF outdoor space for Fair carnival, seasonal fairs, and other outdoor events
- Adjacent Parking: 5,000+ spaces for Expo events and up to 15,000 spaces (or transportation program) for the Fair
- RV Campground: At least 300 fully-equipped spaces, with expansion areas to accommodate future demand

CalExpo Facility: Financial Projections

- Current (2007) operations include the State Fair, Expo events program, horseracing, simulcast, waterpark, and RV park:
 - \$27.7 million combined gross operating revenues
 - \$2.2 million net operating income
- Proposed changes to the Cal Expo activity program:
 - Live horseracing ending in 2012
 - Waterpark operations ending in 2016
- ERA operations forecast (2012 to 2016):
 - \$26.6 to \$27.5 million annual gross operating revenues
 - \$1.2 to \$1.8 million annual net operating income
- Financial impacts do not reflect:
 - Loss of racing operations revenue during the construction period
 - Long-term and recurring benefits from reduced deferred maintenance, and debt service

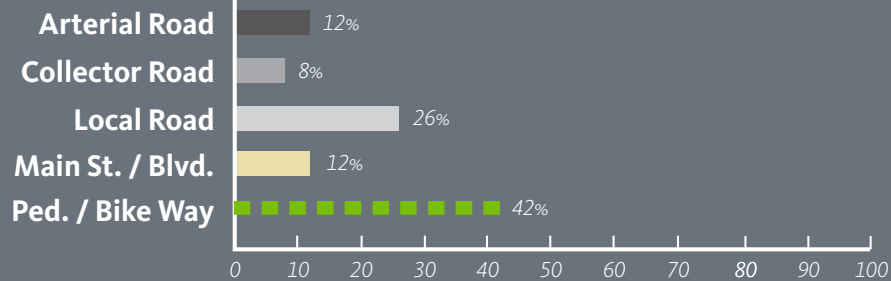
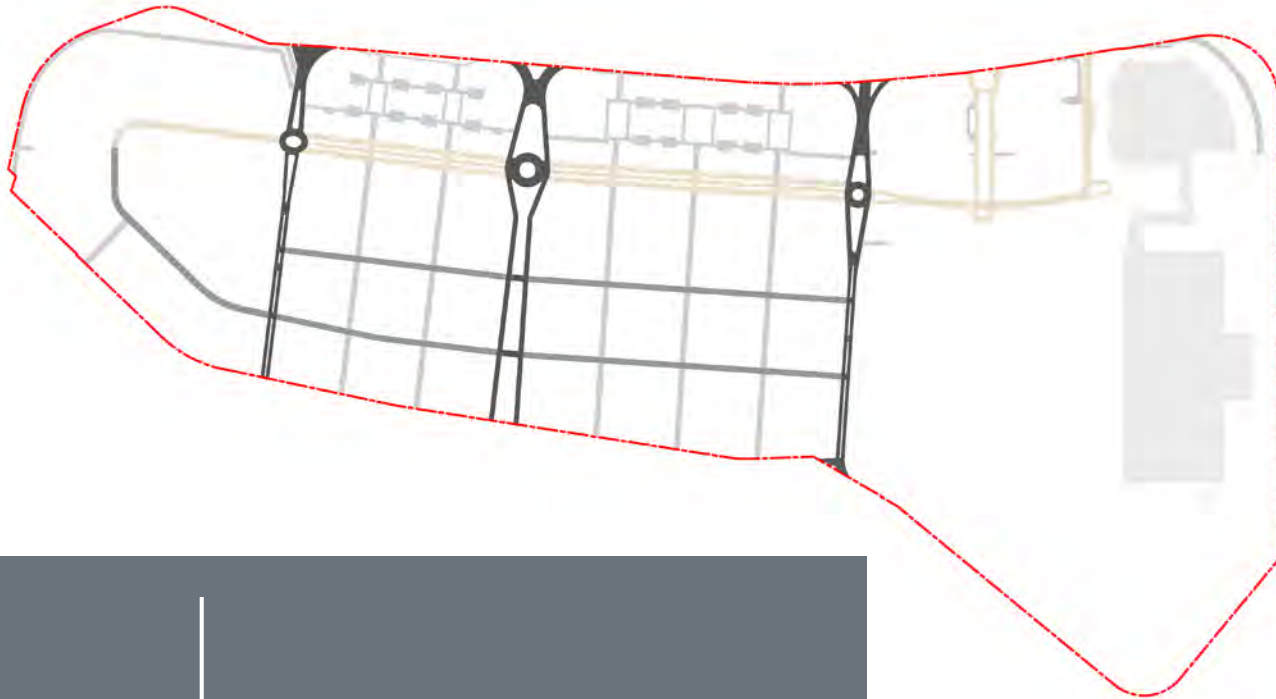
Site Diagrams: Green Network

Gensler

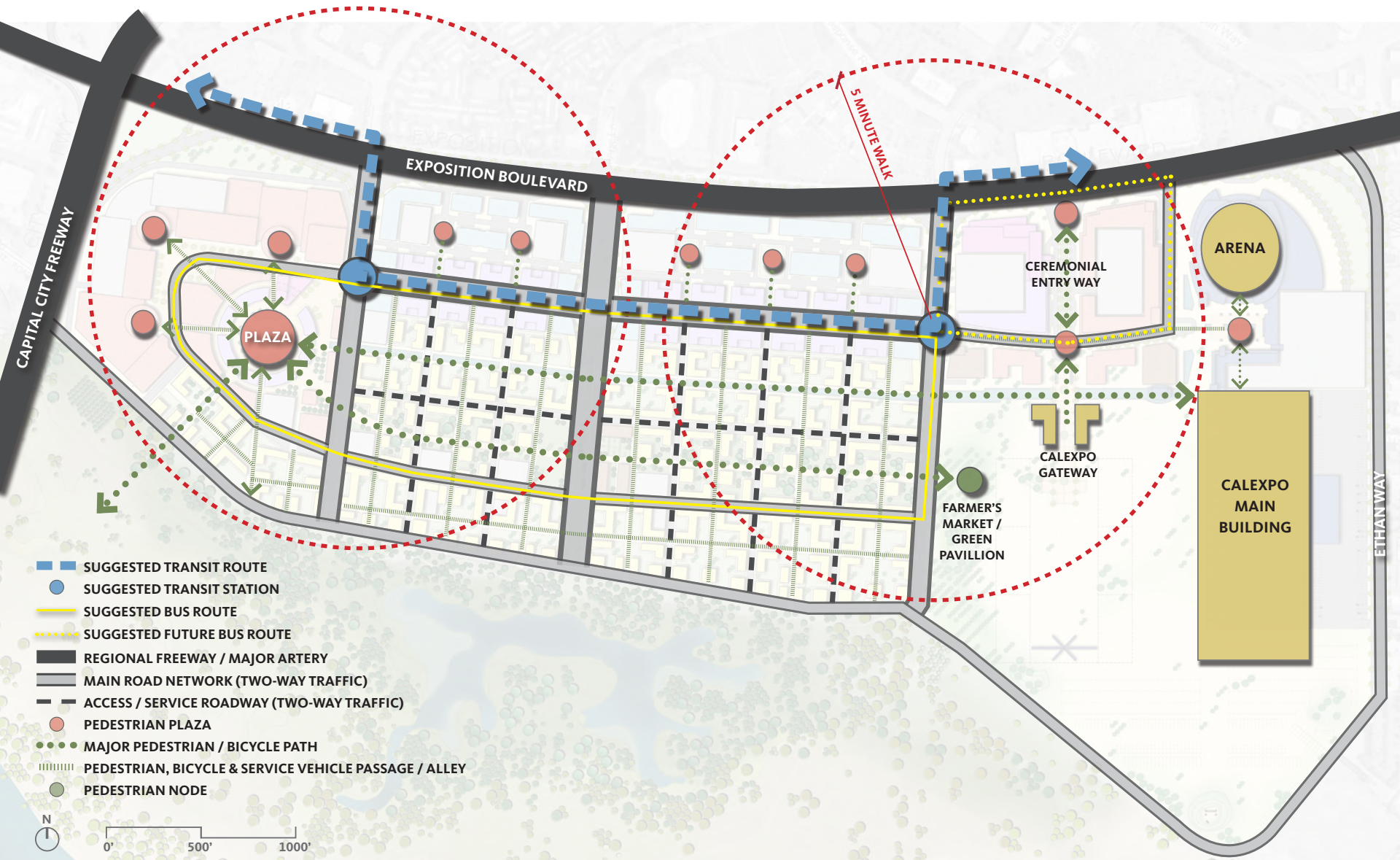


Site Diagrams: Circulation

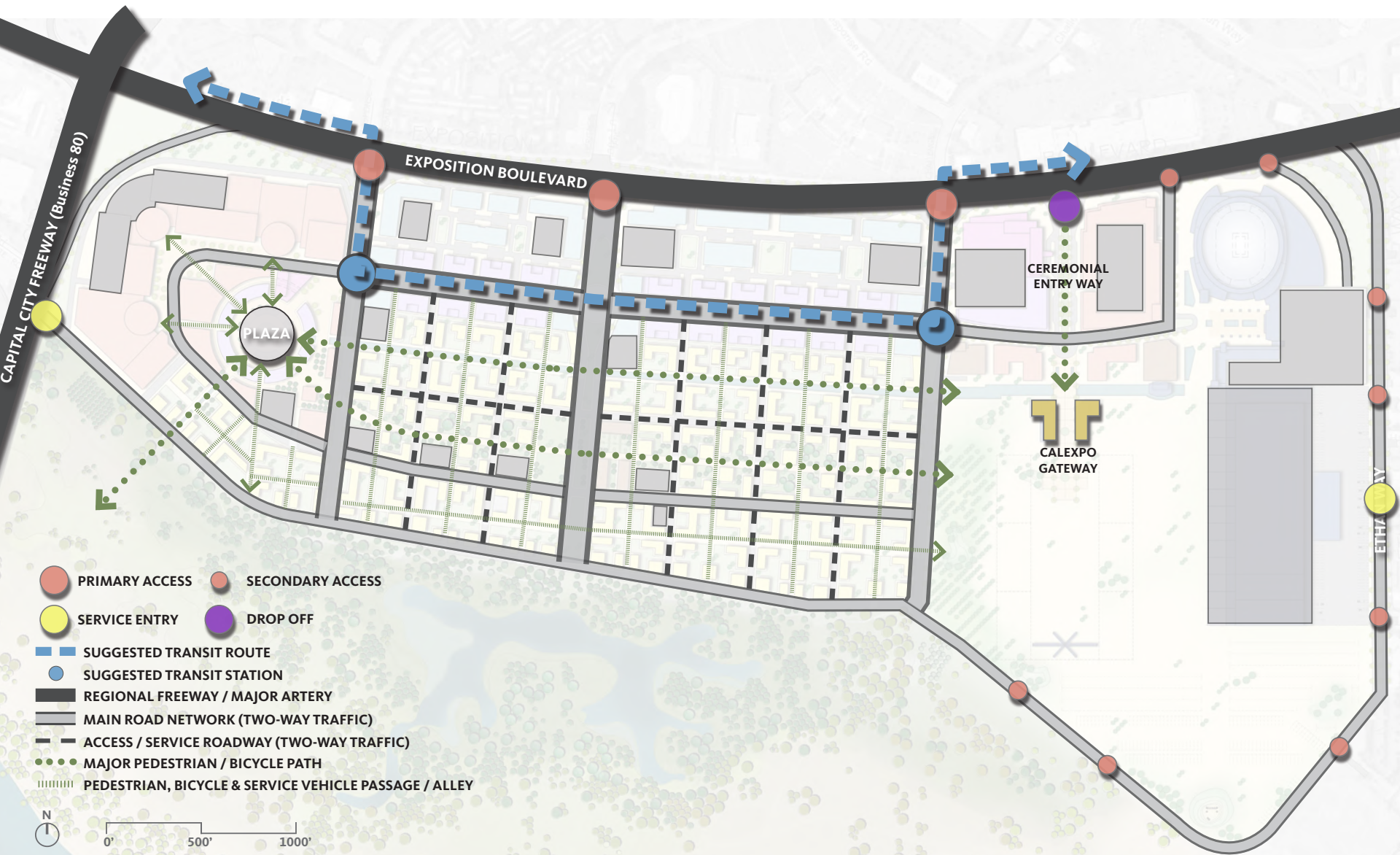
Gensler



Circulation



Site Access



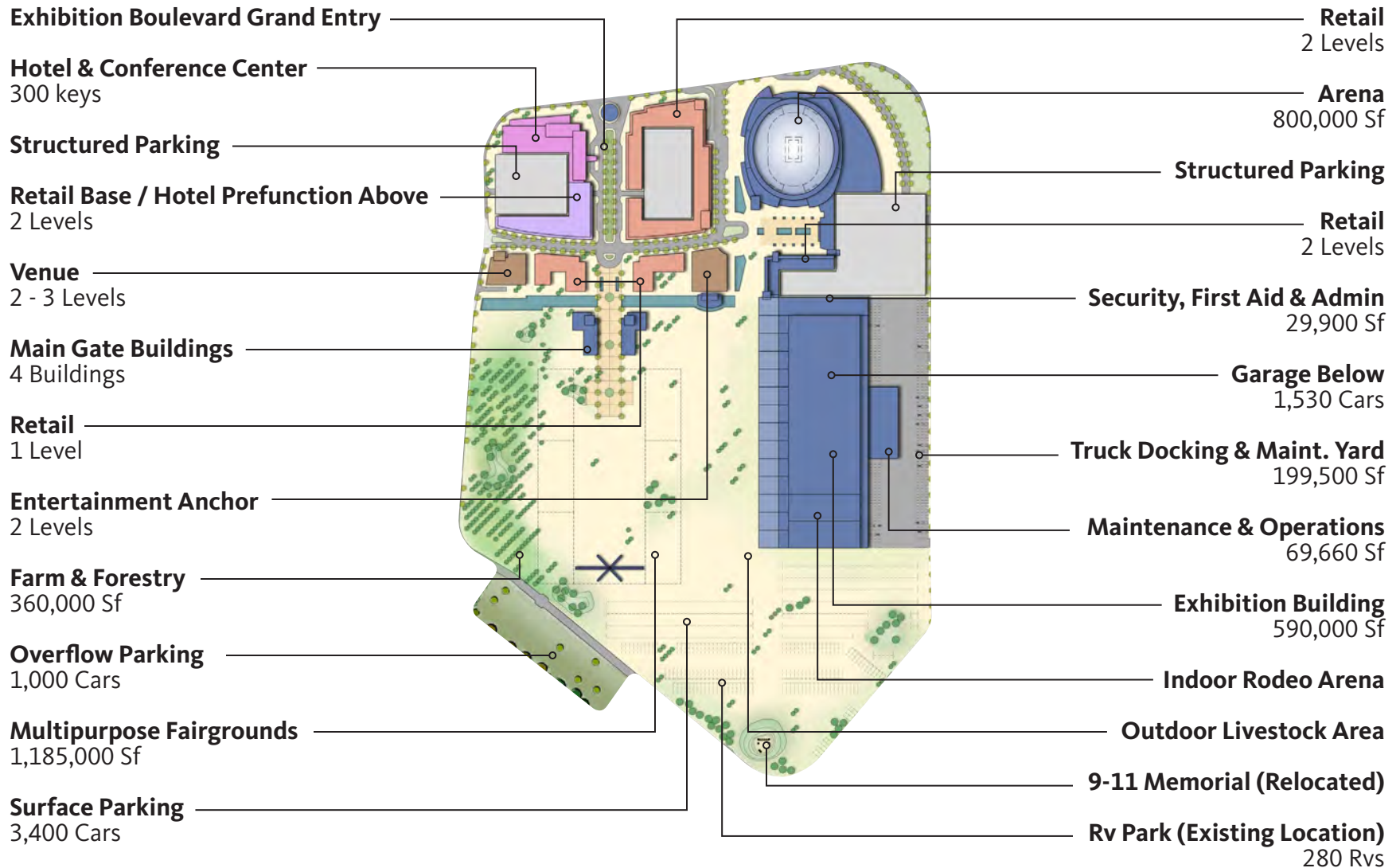
Expo Zone & Fairgrounds

Gensler



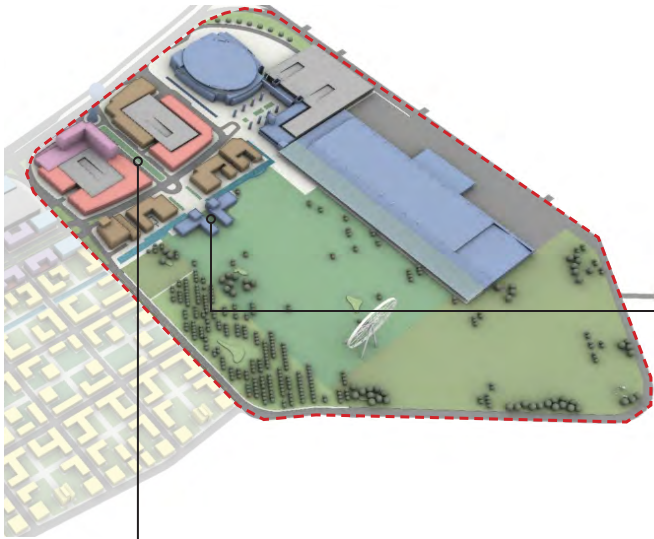
Expo Zone & Fairgrounds

Gensler

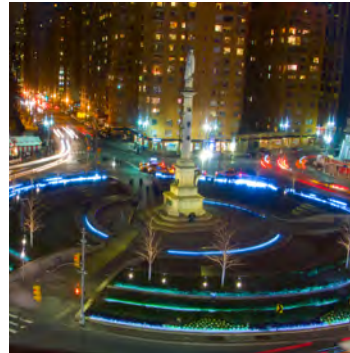


CalExpo Fairtime: Arrival

Gensler



Main Gate

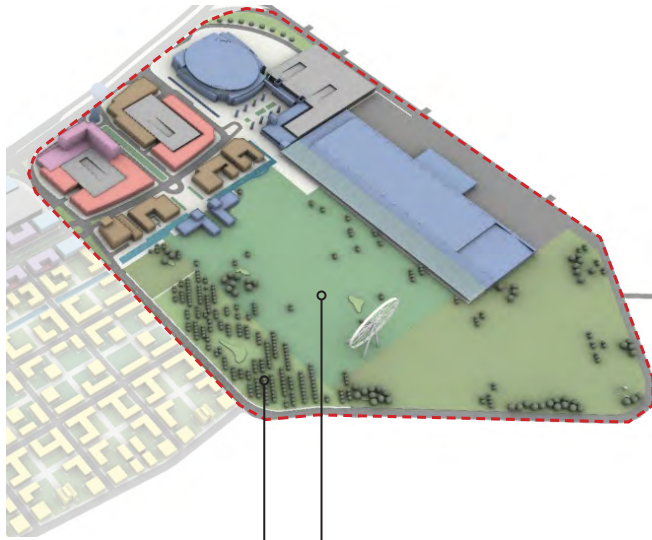


Exhibition Boulevard



CalExpo Fairtime: The Fairgrounds

Gensler

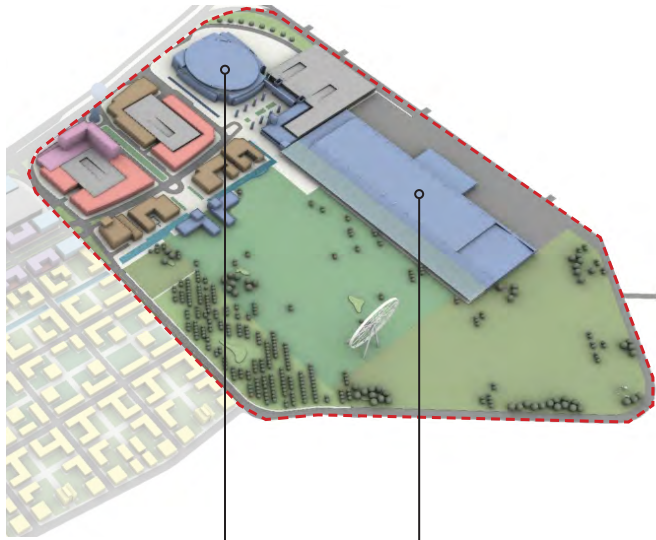


Fairgrounds / Park



Farm

CalExpo Fairtime: Exhibition Building & Arena **Gensler**



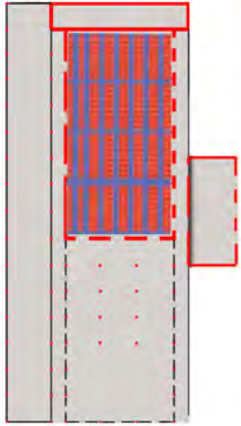
Exhibition Building



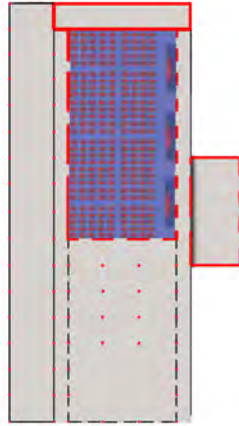
Arena

CalExpo Fairtime: Exhibition Hall Program

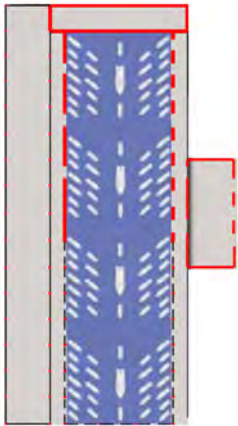
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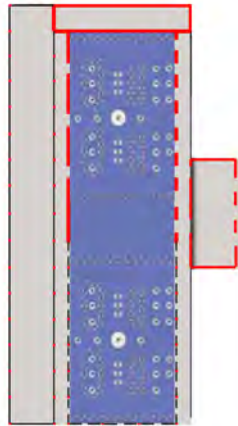
TRADE SHOW LAYOUT



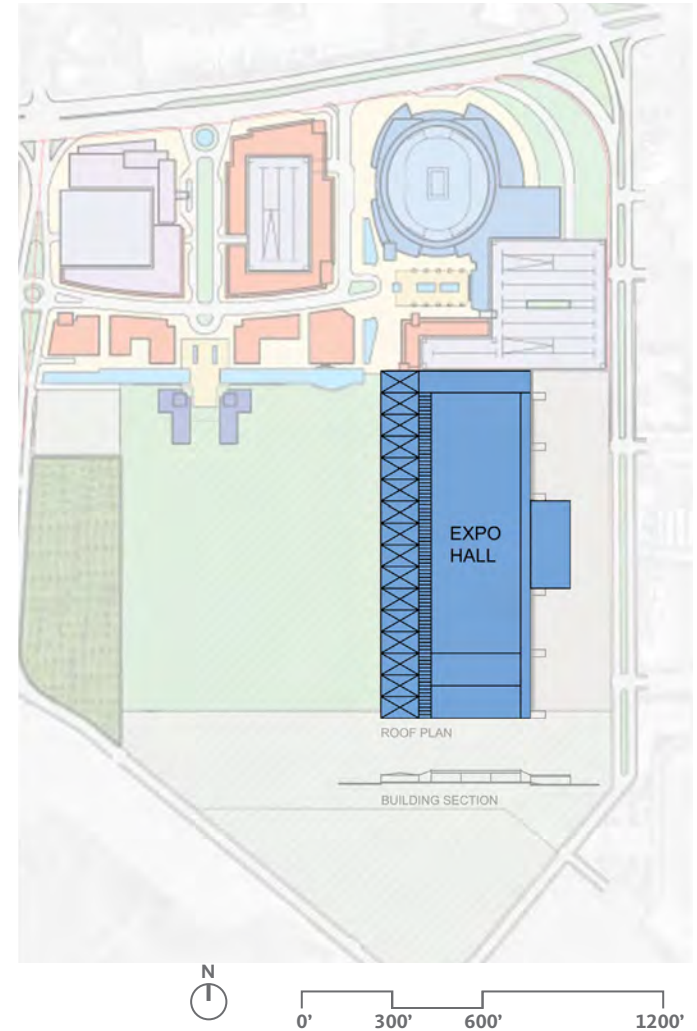
BANQUET HALL LAYOUT



BOAT SHOW LAYOUT

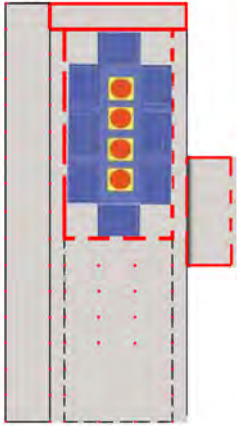


CAR SHOW LAYOUT

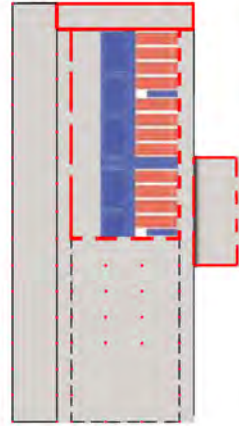


CalExpo Fairtime: Exhibition Hall Program

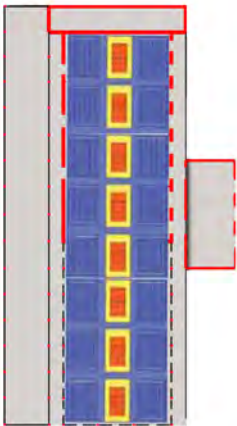
Gensler



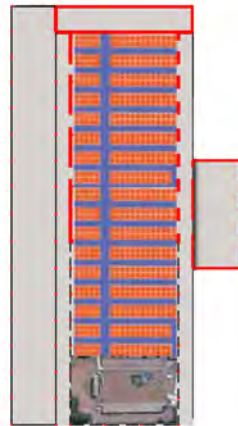
WRESTLING LAYOUT



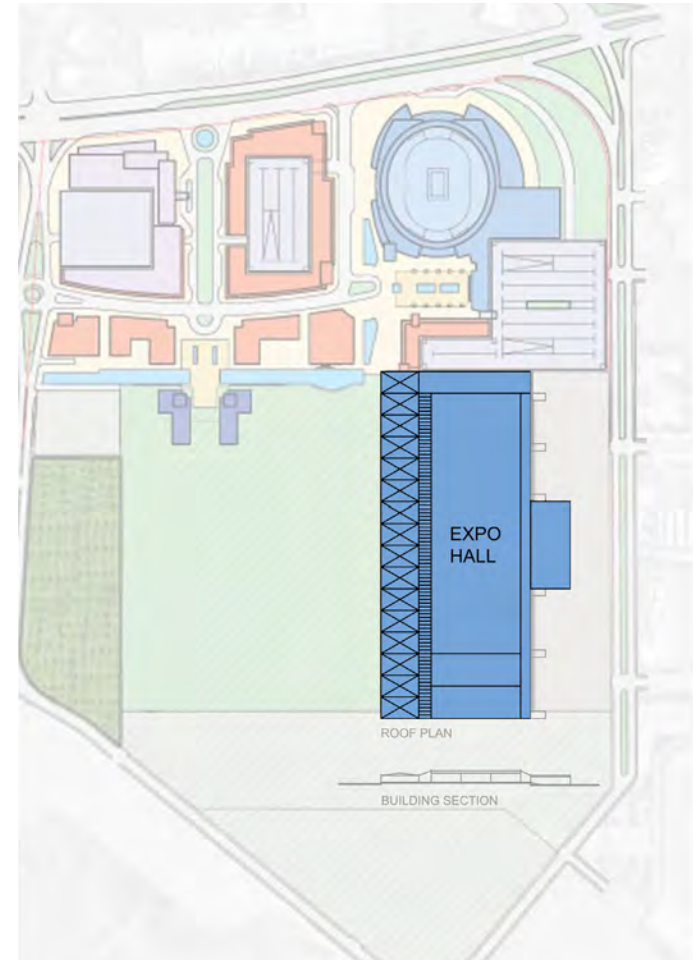
BOWLING LAYOUT



VOLLEYBALL COURTS



HORSE STALLS LAYOUT

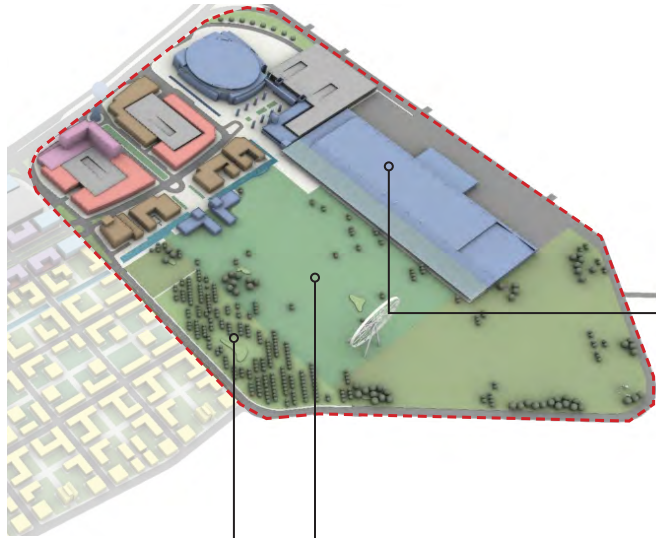


0' 300' 600' 1200'



CalExpo Non-Fairtime: The Fairgrounds

Gensler



Exhibition Building



Fairgrounds / Park

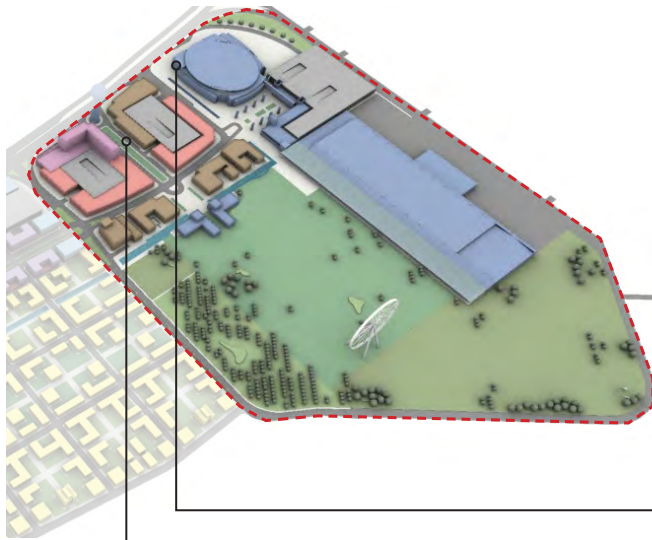


Farm



CalExpo Non-Fairtime: The Fairgrounds

Gensler



Arena



Expo Plaza



KINGS









HOOP DREAMS

McCOOLIE'S GRILL

Dennis M. M.







Circulation Diagrams

Auto

-  INGRESS/EGRESS
-  PRIMARY SERVICE ENTRY
-  PRIMARY VEHICULAR CIRCULATION
-  SECONDARY VEHICULAR CIRCULATION
-  MAIN ROAD NETWORK (TWO-WAY TRAFFIC)
-  SECONDARY SITE ACCESS
-  OVERFLOW PARKING
-  PARKING ZONE



Circulation

-  PEDESTRIAN ZONE
-  VEHICULAR ZONE
-  PEDESTRIAN ROUTE
-  PROPOSED TRANSIT NODE
-  PROPOSED TRANSIT ROUTE
-  DROP OFF ACCESS



Parking

Fairtime

KEY	FAIR	OTHER
STRUCTURED PARKING	5,330	7,530
SURFACE PARKING	6,550	2,280
BASEMENT GARAGE	1,530	
TOTALS	13,410	9,810



Non-Fairtime

KEY	ARENA	OTHER
STRUCTURED PARKING	5,330	7,530
SURFACE PARKING	350	7,480
BASEMENT GARAGE	1,530	
TOTALS	7,210	15,010



Summary Master Plan

Gensler

C1

OFFICE: 538,030 SF
LIFESTYLE RETAIL: 10,980 SF
STRUC. PARKING: 241,600 SF
779 CARS @ 350 SF PER CAR

C2

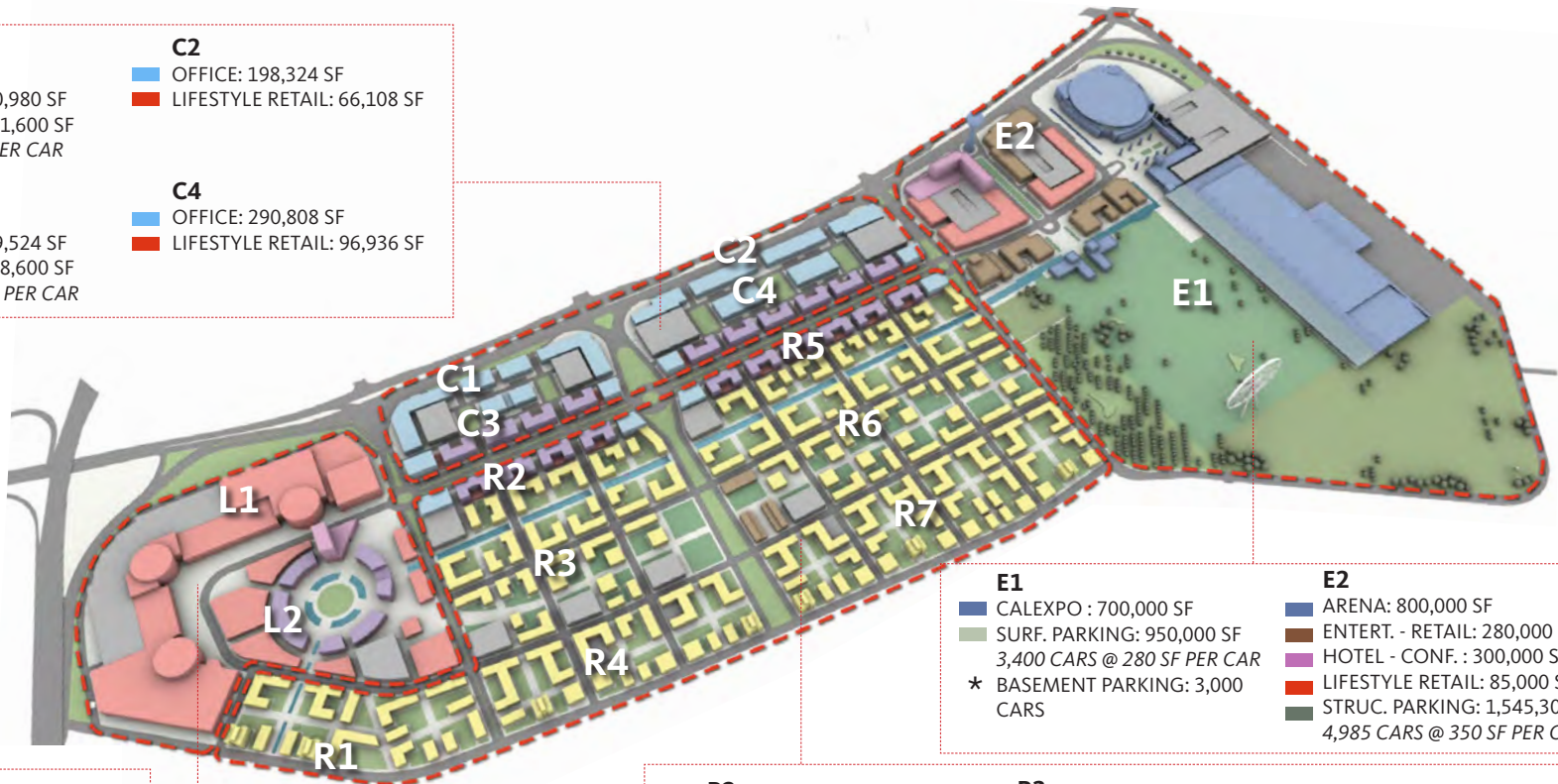
OFFICE: 198,324 SF
LIFESTYLE RETAIL: 66,108 SF

C3

OFFICE: 956,666 SF
LIFESTYLE RETAIL: 19,524 SF
STRUC. PARKING: 448,600 SF
1,455 CARS @ 350 SF PER CAR

C4

OFFICE: 290,808 SF
LIFESTYLE RETAIL: 96,936 SF



E1

CALEXPO : 700,000 SF
SURF. PARKING: 950,000 SF
3,400 CARS @ 280 SF PER CAR
★ BASEMENT PARKING: 3,000 CARS

E2

ARENA: 800,000 SF
ENTERT. - RETAIL: 280,000 SF
HOTEL - CONF. : 300,000 SF
LIFESTYLE RETAIL: 85,000 SF
STRUC. PARKING: 1,545,300 SF
4,985 CARS @ 350 SF PER CAR

L1

LIFESTYLE RETAIL: 818,000 SF
STRUC. PARKING: 874,500 SF
2,821 CARS @ 350 SF PER CAR

L2

LIFESTYLE RETAIL: 106,773 SF
ENTERTAINMENT / RETAIL: 209,000 SF
HOTEL: 200,000 SF
RESIDENTIAL: 115,773 SF
STRUC. PARKING: 180,000
581 CARS @ 350 SF PER CAR

R2

RESIDENTIAL: 186,414 SF
OFFICE: 229,112 SF
RETAIL: 57,278 SF
STRUC. PARKING: 99,976 SF

R3

RESIDENTIAL: 186,414 SF
RETAIL: 79,792 SF
STRUC. PARKING: 299,237 SF
965 CARS @ 350 SF PER CAR

R4

RESIDENTIAL: 316,915 SF
RETAIL: 6,468 SF

R1

RESIDENTIAL: 264,285 SF
RETAIL: 5,394 SF
435 CARS @ 350 SF PER CAR

R5

RESIDENTIAL: 332,243 SF
OFFICE: 329,161 SF
RETAIL: 82,290 SF
STRUC. PARKING: 79,209
256 CARS @ 350 SF PER CAR

R6

RESIDENTIAL: 952,095 SF
RETAIL: 118,133 SF
STRUC. PARKING: 111,100
358 CARS @ 350 SF PER CAR

R7

RESIDENTIAL: 603,271 SF
RETAIL: 12,312 SF

Phasing

Gensler



2017



2026



2030



2036

